

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

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E-01750A

MOHAVE ELECTRIC COOPERATIVE, INC.
P.O. BOX 1045
BULLHEAD CITY, AZ 86430

RECEIVED

MAY 02 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2007
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FOR COMMISSION USE

ANN 01	07
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PROCESSED BY:

5-5-08

SCANNED

COMPANY INFORMATION

Company Name (Business Name) <u>MOHAVE ELECTRIC COOPERATIVE, INC.</u>		
Mailing Address <u>P.O. Box 1045</u>		
(Street)		
<u>BULLHEAD CITY, AZ 86430-1045</u>		
(City)	(State)	(Zip)
<u>928.763.4115</u>	<u>928.763.3315</u>	
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address <u>mohaveelectric@mohaveaz.com</u>		
Local Office Mailing Address <u>1999 ARENA DRIVE</u>		
(Street)		
<u>BULLHEAD CITY, AZ 86442</u>		
(City)	(State)	(Zip)
<u>928.763.4115</u>	<u>928.763.3315</u>	
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address _____		

MANAGEMENT INFORMATION

Management Contact: <u>PAULA GRIFFES</u>		<u>ADMINISTRATIVE ASSISTANT</u>	
(Name)		(Title)	
<u>1999 ARENA DRIVE</u>		<u>BULLHEAD CITY, AZ 86442</u>	
(Street)	(City)	(State)	(Zip)
<u>928.763.4115</u>	<u>928.763.3315</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address <u>pgriffes@mohaveaz.com</u>			
On Site Manager: <u>ROBERT E. BROZ</u>			
(Name)			
<u>1999 ARENA DRIVE</u>		<u>BULLHEAD CITY, AZ 86442</u>	
(Street)	(City)	(State)	(Zip)
<u>928.763.4115</u>	<u>928.763.3315</u>		
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address _____			

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent:

ROBERT E. BROZ

(Name)

1999 ARENA DRIVE, BULLHEAD CITY, AZ 86442

(Street)

(City)

(State)

(Zip)

928.763.4115

928.763.3315

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Attorney:

MICHAEL CURTIS

(Name)

501 E. THOMAS ROAD, PHOENIX, AZ 85012

(Street)

(City)

(State)

(Zip)

602.393.1700

602.393.1703

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Cell No. (Include Area Code)

Email Address☐ Please mark this box if the above address(es) have changed or are updated since the last filing.**OWNERSHIP INFORMATION**

Check the following box that applies to your company:

☐ Sole Proprietor (S)☐ C Corporation (C) (Other than Association/Co-op)☐ Partnership (P)☐ Subchapter S Corporation (Z)☐ Bankruptcy (B)☒ Association/Co-op (A)☐ Receivership (R)☐ Limited Liability Company☐ Other (Describe) _____**COUNTIES SERVED**

Check the box below for the county/ies in which you are certificated to provide service:

☐ APACHE☐ COCHISE☒ COCONINO☐ GILA☐ GRAHAM☐ GREENLEE☐ LA PAZ☐ MARICOPA☒ MOHAVE☐ NAVAJO☐ PIMA☐ PINAL☐ SANTA CRUZ☒ YAVAPAI☐ YUMA☐ STATEWIDE

SERVICES AUTHORIZED TO PROVIDE

Check the following box/es for the services that you are authorized to provide:

☒ **Electric**

- ☐ Investor Owned Electric
- ☒ Rural Electric Cooperative
- ☐ Utility Distribution Company
- ☐ Electric Service Provider
 - ☐ Transmission Service Provider
 - ☐ Meter Service Provider
 - ☐ Meter Reading Service Provider
 - ☐ Billing and Collection
 - ☐ Ancillary Services
 - ☐ Generation Provider
 - ☐ Aggregator/Broker

☐ **Telecommunications**

- ☐ Incumbent Local Exchange Carrier
- ☐ Interexchange Carrier
- ☐ Competitive Local Exchange Carrier
- ☐ Reseller
- ☐ Alternative Operator Service Provider

☐ **Gas**

- ☐ Natural Gas
- ☐ Propane

☐ **Other (Specify)** _____

STATISTICAL INFORMATION

TELECOMMUNICATION UTILITIES ONLY

Total residence local exchange access lines	_____
Total business local exchange access lines	_____
Total revenue from Arizona operations	\$ _____
Total income from Arizona operations	\$ _____
Value of assets used to serve Arizona customers	\$ _____
Accumulated depreciation associated with those assets	\$ _____

STATISTICAL INFORMATION (CONT'D)

ELECTRIC UTILITY PROVIDERS ONLY

Total number of customers	
Residential	35,104
Commercial	3,814
Industrial	119
Public street and highway lighting	16
Irrigation	22
Resale	1
Total kilowatt-hours sold	kWh
Residential	406,049,192
Commercial	121,790,874
Industrial	186,601,149
Public street and highway lighting	440,086
Irrigation	5,352,587
Resale	
Maximum Peak Load	207 MW

GAS UTILITIES ONLY

Total number of customers	
Residential	
Commercial	
Industrial	
Irrigation	
Resale	
Total therms sold	therms
Residential	
Commercial	
Industrial	
Irrigation	
Resale	

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAY 02 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
Mohave
NAME (OWNER OR OFFICIAL) TITLE
Robert E. Broz
COMPANY NAME
Mohave Electric Cooperative, Inc

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2007 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 79,911,960

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 4,748,990
IN SALES TAXES BILLED, OR COLLECTED)

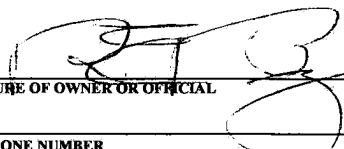
****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

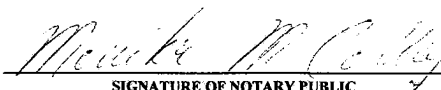
THIS 29th DAY OF

(SEAL)


SIGNATURE OF OWNER OR OFFICIAL

TELEPHONE NUMBER

COUNTY NAME		
Mohave		
MONTH	April	2008


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES June 27, 2010

**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY**

RECEIVED

MAY 02 2008

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Mohave		
NAME (OWNER OR OFFICIAL)	Robert E. Broz	TITLE	C.E.O.
COMPANY NAME	Mohave Electric Cooperative, Inc		

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2007

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2007 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 44,993,800

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 3,270,000
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

X

SIGNATURE OF OWNER OR OFFICIAL

928/763-4115

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

29th

DAY OF

(SEAL)

MY COMMISSION EXPIRES June 27, 2010

NOTARY PUBLIC NAME

Monika Colby

COUNTY NAME

Mohave

MONTH

April

.20 08

X

SIGNATURE OF NOTARY PUBLIC

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0032. The time required to complete this information collection is estimated to average 16 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL UTILITIES SERVICE

FINANCIAL AND STATISTICAL REPORT

BORROWER DESIGNATION AZ0022

PERIOD ENDED

December, 2007

PRE-AUDIT

INSTRUCTIONS - For detailed instructions, see RUS Bulletin 1717B-2.

BORROWER NAME

This data will be used by RUS to review your financial situation. Your response is required (7 U.S.C. 901 et. seq.) and may be confidential.

MOHAVE ELEC COOP INC

CERTIFICATION

We recognize that statements contained herein concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious or fraudulent statement may render the maker subject to prosecution under Title 18, United States Code Section 1001.

We hereby certify that the entries in this report are in accordance with the accounts and other records of the system and reflect the status of the system to the best of our knowledge and belief.

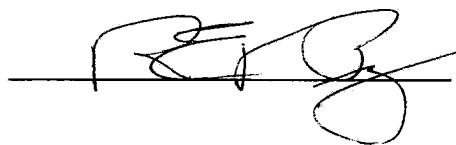
ALL INSURANCE REQUIRED BY PART 1788 OF 7 CFR CHAPTER XVII, RUS, WAS IN FORCE DURING THE REPORTING PERIOD AND RENEWALS HAVE BEEN OBTAINED FOR ALL POLICIES

DURING THE PERIOD COVERED BY THIS REPORT PURSUANT TO PART 1718 OF 7 CFR CHAPTER XVII

(check one of the following)

☒ All of the obligations under the RUS loan documents have been fulfilled in all material respects.

☐ There has been a default in the fulfillment of the obligations under the RUS loan documents. Said default(s) is/are specifically described in Part D of this report.

 4/29/2008
DATE

PART A. STATEMENT OF OPERATIONS

ITEM	YEAR-TO-DATE			THIS MONTH
	LAST YEAR (a)	THIS YEAR (b)	BUDGET (c)	
1. Operating Revenue and Patronage Capital	67,649,850	74,962,964	64,460,800	6,154,510
2. Power Production Expense				
3. Cost of Purchased Power	51,819,710	58,811,538	49,617,000	4,283,089
4. Transmission Expense	172,965	88,992	199,900	6,950
5. Distribution Expense - Operation	1,442,245	1,477,969	1,597,000	91,829
6. Distribution Expense - Maintenance	1,199,673	1,232,701	1,341,700	97,770
7. Customer Accounts Expense	1,563,927	1,718,411	1,691,560	168,294
8. Customer Service and Informational Expense	174,558	212,273	190,000	5,780
9. Sales Expense	204,364	135,080	249,616	(1,260)
10. Administrative and General Expense	3,035,359	3,804,731	3,260,900	615,901
11. Total Operation & Maintenance Expense (2 thru 10)	59,612,801	67,481,695	58,147,676	5,268,353
12. Depreciation and Amortization Expense	1,647,378	1,719,418	1,864,000	144,841
13. Tax Expense - Property & Gross Receipts	0	0	0	0
14. Tax Expense - Other	0	0	0	0
15. Interest on Long-Term Debt	1,592,686	2,010,657	2,209,000	202,908
16. Interest Charged to Construction - Credit	0	0	0	0
17. Interest Expense - Other	106,322	104,467	107,000	8,786
18. Other Deductions	8,312	4,407	13,000	627
19. Total Cost of Electric Service (11 thru 18)	62,967,499	71,320,644	62,340,676	5,625,515
20. Patronage Capital & Operating Margins (1 minus 19)	4,682,351	3,642,320	2,120,124	528,995
21. Non Operating Margins - Interest	721,445	437,961	750,000	34,843
22. Allowance for Funds Used During Construction	0	0	0	0
23. Income (Loss) from Equity Investments	110,335	0	0	0
24. Non Operating Margins - Other	332	143	300	
25. Generation and Transmission Capital Credits	0	0	0	0
26. Other Capital Credits and Patronage Dividends	92,609	96,931	95,000	0
27. Extraordinary Items	0	0	0	0
28. Patronage Capital or Margins (20 thru 27)	5,607,072	4,177,355	2,965,424	563,838

USDA - RUS			BORROWER DESIGNATION AZ0022		
FINANCIAL AND STATISTICAL REPORT			<i>PRE-FL017</i>		
INSTRUCTIONS - See RUS Bulletin 1717B-2			PERIOD ENDED December, 2007		
PART B. DATA ON TRANSMISSION AND DISTRIBUTION PLANT					
ITEM	YEAR-TO-DATE		ITEM	YEAR-TO-DATE	
	LAST YEAR (a)	THIS YEAR (b)		LAST YEAR (a)	THIS YEAR (b)
1. New Services Connected	1,929	1,262	5. Miles Transmission	107.23	107.23
2. Services Retired	38	56	6. Miles Distribution - Overhead	1,033.20	1,042.05
3. Total Services in Place	41,275	42,483	7. Miles Distribution - Underground	283.92	295.35
4. Idle Services (Exclude Seasonals)	2,686	3,380	8. Total Miles Energized (5 + 6 + 7)	1,424.35	1,444.63
PART C. BALANCE SHEET					
ASSETS AND OTHER DEBITS			LIABILITIES AND OTHER CREDITS		
1. Total Utility Plant in Service	79,846,862		29. Memberships.....	162,210	
2. Construction Work in Progress	20,563,522		30. Patronage Capital.....	35,310,309	
3. Total Utility Plant (1 + 2)	100,410,384		31. Operating Margins - Prior Years.....	0	
4. Accum. Provision for Depreciation and Amort	31,046,757		32. Operating Margins - Current Year.....	3,739,251	
5. Net Utility Plant (3 - 4)	69,363,627		33. Non-Operating Margins.....	438,104	
6. Non-Utility Property (Net)	0		34. Other Margins and Equities.....	1,779,560	
7. Investments in Subsidiary Companies	0		35. Total Margins & Equities (29 thru 34).....	41,429,434	
8. Invest. in Assoc. Org. - Patronage Capital	1,564,987		36. Long-Term Debt - RUS (Net).....	16,696,506	
9. Invest. in Assoc. Org. - Other - General Funds	3,415		37. Long-Term Debt - FFB - RUS Guaranteed.....	16,526,644	
10. Invest. in Assoc. Org. - Other - Nongeneral Funds..	825,092		38. Long-Term Debt - Other - RUS Guaranteed.....	0	
11. Investments in Economic Development Projects ...	0		39. Long-Term Debt Other (Net).....	7,996,657	
12. Other Investments	0		40. Long-Term Debt - RUS - Econ. Devel. (Net).....	0	
13. Special Funds	10,000		41. Payments - Unapplied	0	
14. Total Other Property & Investments (6 thru 13) ...	2,403,494		42. Total Long-Term Debt (36 thru 40 - 41).....	41,219,807	
15. Cash - General Funds	943,649		43. Obligations Under Capital Leases - Noncurrent.....	0	
16. Cash - Construction Funds - Trustee	7		44. Accumulated Operating Provisions and Asset Retirement Obligations..	0	
17. Special Deposits	0		45. Total Other Noncurrent Liabilities (43 + 44).....	0	
18. Temporary Investments	8,200,000		46. Notes Payable.....	0	
19. Notes Receivable (Net)	1,880,947		47. Accounts Payable.....	5,164,053	
20. Accounts Receivable - Sales of Energy (Net)	3,666,553		48. Consumers Deposits.....	1,682,760	
21. Accounts Receivable - Other (Net)	2,415,383		49. Current Maturities Long-Term Debt.....	1,511,096	
22. Materials and Supplies - Electric & Other	2,939,426		50. Current Maturities Long-Term Debt -Economic Development.....	0	
23. Prepayments	1,268,781		51. Current Maturities Capital Leases.....	0	
24. Other Current and Accrued Assets	182,762		52. Other Current and Accrued Liabilities.....	1,478,351	
25. Total Current and Accrued Assets (15 thru 24)	21,497,508		53. Total Current & Accrued Liabilities (46 thru 52).....	9,836,260	
26. Regulatory Assets	0		54. Regulatory Liabilities.....	0	
27. Other Deferred Debits	8,076,342		55. Other Deferred Credits.....	8,855,470	
28. Total Assets and Other Debits (5+14+25 thru 27)..	101,340,971		56. Total Liabilities and Other Credits (35+ 42 + 45 + 53 thru 55).....	101,340,971	

USDA-RUS

FINANCIAL AND STATISTICAL REPORT

INSTRUCTIONS - See RUS Bulletin 1717B-2

BORROWER DESIGNATION

AZ0022

PERIOD ENDED

December, 2007

PART D. NOTES TO FINANCIAL STATEMENTS

Pre-Audit Report